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May 5, 2000

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David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Re: Petition of MCI WorldCom to Enforce Interconnection Agreement

Docket No. 99-00662

Dear David.

Please find enclosed are the original and thirteen copies of the Response of MCI WorldCom to BellSouth's First Set of Interrogatories and also the Response of MCI to BellSouth's First Request for Production of Documents.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

Henry Walker

HW/nl Enclosure cc: Parties



BEFORE THE TENNESSEE REGULATORY AUTHORITY Nashville, Tennessee

IN RE:

PETITION OF MCI WORLDCOM TO ENFORCE

INTERCONNECTION AGREEMENT

DOCKET NO. 99-00662



MCI WORLDCOM'S RESPONSE TO BELLSOUTH TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES

MCI WorldCom, Inc. ("MCI WorldCom") hereby provides its responses to BellSouth Telecommunications, Inc.'s ("BellSouth") First Interrogatories (the "First Interrogatories") to MCI WorldCom in the above-referenced proceeding.

GENERAL OBJECTIONS

- 1. MCI WorldCom objects to the First Interrogatories to the extent that they call for the disclosure and/or production of information protected by the attorney-client privilege, the attorney work product privilege, and any other applicable privilege or doctrine.
- 2. MCI WorldCom objects to the First Interrogatories to the extent that they conflict with, and/or impose obligations and requirements that are different from, the Tennessee Rules of Civil Procedure and/or the Local Rules of the Tennessee Regulatory Authority.
- 3. MCI WorldCom objects to the First Interrogatories to the extent that they characterize, assume or imply facts or events not in dispute or in evidence.



INTERROGATORIES

1. Identify all persons participating in the preparation of the answers to these Interrogatories or supplying information used in connection therewith and describe the extent of each person s participation, including any information that person provided.

RESPONSE:

Henry Walker, Boult Cummings, Conners & Berry on behalf of MCI WorldCom Chris Gilbert, Boult, Cummings, Conners & Berry on behalf of MCI WorldCom

Susan Berlin, MCI WorldCom Michael Henry, MCI WorldCom Ron Martinez, MCI WorldCom Dan Aronson, MCI WorldCom

2. Identify each person whom you expect to call as an expert witness at the hearing in this matter. With respect to each such expert, please state the subject matter on which the expert is expected to testify, the substance of the facts and opinions to which the expert is expected to testify, and a summary of the grounds for each opinion.

RESPONSE:

Ron Martinez will testify as to the contract negotiations and contract language in the MCIm-BST Interconnection Agreement

0643539.02 058100-050 05/05/2000 Dan Aronson will testify as to the amount due and owing MCIm by BST for reciprocal compensation

Don Price will testify as to the industry custom usage and practice with respect to the treatment of calls to ISPs as local.

3. Identify all documents that refer or relate to any issues raised in the Complaint that were provided to or made available to any expert identified in response to Interrogatory No. 2.

RESPONSE:

The interconnection agreement (hereafter, the "Agreement") between MCIm and BST-Tennessee which was signed by BST of April 4, 1997 and filed with the Tennessee Regulatory Authority.

4. Identify all employees, representatives, or agents of MCI WorldCom involved in negotiating the Interconnection Agreement, including any amendments thereto. In answering this interrogatory, please explain in detail the role of each such employee, representative, or agent in the negotiations.

RESPONSE:

Ron Martinez was the principal negotiator on behalf of MCIm.

5. Do you contend that at the time the parties negotiated the Interconnection Agreement, both MCI WorldCom and BellSouth intended to treat calls to Internet Service

0643539.02 058100-050 05/05/2000 Providers as "local traffic" under that Agreement? If the answer to the foraging is in the

affirmative, please state all facts and identify all documents that support this contention.

RESPONSE: Yes, based on the language of the Agreement and the regulatory

environment that existed at the time of the execution of the Agreement.

6. Do you contend that at the time the parties negotiated the Interconnection

Agreement, both MCI WorldCom and BellSouth intended to treat calls to Internet Service

Providers ("ISPs") as if such calls "terminated" at the ISP? If the answer to the foregoing is

in the affirmative, please state all facts and identify all documents that support this

contention.

RESPONSE: See response to question 5.

7. Do you contend that there is a difference between the place where a call

"terminates" for jurisdictional purposes and the place where a call "terminates" for reciprocal

compensation purposes? If the answer to the foregoing is in the affirmative, please:

(a) explain in detail the distinction between call termination for jurisdictional and

reciprocal compensation purposes;

(b) state the date and describe the circumstances when MCI WorldCom first

concluded that there was a distinction between call termination for jurisdictional and

reciprocal compensation purposes;

(c) state the date and describe the circumstances when MCI WorldCom first stated

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publicly that there was a distinction between call termination for jurisdictional and reciprocal

compensation purposes; and

(d) identify all documents that refer or relate to or support a distinction between call

termination for jurisdictional and reciprocal compensation purposes.

RESPONSE: Section 2.2 of Attachement IV of the Agreement between BST and

MCIm states that local traffic is defined as "any telephone call that originates in one

exchange and terminates in either the same exchange, or a corresponding Extended Area

Service (EAS) exchange." For purposes of interpreting the Agreement, MCI WorldCom

understands that language to mean that if the NPA-NXX to NPA-NXX of the calling and

called party is a local call as defined by BST's local tariff, it is rated as a local call under the

Agreeement and BST is invoiced for reciprocal compensation for that call. If the call should

be rated as a toll call based on the NPA-NXX of the calling to called party, MCI WorldCom

will invoice BST for terminating switched access charges. MCI WorldCom objects, on the

grounds of relevancy, to questions concerning the meaning of "terminate" for any purpose

other than the proper interpretation of the Agreement.

8. State the number of ISP minutes of use from BellSouth to MCI WorldCom

in Tennessee for each month since April 1997 for which MCI WorldCom is seeking payment

of reciprocal compensation.

RESPONSE: MCIWorldCom does not track or otherwise segregate ISP traffic and the

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interconnection agreement between MCIm and BST does not require such tracking or

segregation. MCIWorldcom is seeking payment of reciprocal compensation for local calls

made by BST's customers to customers of MCIm, regardless of the business that the MCIm

customer is engaged in.

9. For each month since April 1997, state how many of the ISP minutes of use

from BellSouth to MCI WorldCom in Tennessee you contend "terminated" for jurisdictional

purposes in the local calling area.

RESPONSE: See responses to questions 7 and 8.

In answering the foregoing interrogatory, please explain in detail the basis for 10.

your contention and identify all documents that support or refer or relate to such contention.

RESPONSE: See responses to questions 7 and 8.

For each month since April 1997, state how many of the ISP minutes of use 11.

from BellSouth to MCI WorldCom in Tennessee you contend "terminated" for reciprocal

compensation purposes in the local calling area.

RESPONSE:

See responses to question 8.

12. In answering the foregoing interrogatory, please explain in detail the basis for

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your contention and identify all documents that support or refer or relate to such contention.

RESPONSE: See responses to questions 7 and 8.

13. Has MCI WorldCom entered into any arrangement or agreement with any

person that involves the sharing of any reciprocal compensation received by MCI WorldCom

from BellSouth? If the answer to the foregoing is in the affirmative, identify the person, state

the date when such an arrangement was reached or agreement was entered into, and identify

all documents referring or relating to such an agreement or arrangement.

RESPONSE:

No.

14. Has MCI WorldCom provided telecommunications services to any person

with whom MCI WorldCom has entered into any arrangement or agreement that involves

the sharing of reciprocal compensation received by MCI WorldCom from BellSouth? If the

answer to the foregoing is in the affirmative, identify the person, describe the

telecommunications services MCI WorldCom has provided, and identify all documents

referring or relating to such telecommunications services.

RESPONSE:

No.

15. State the total number of minutes or use from BellSouth to MCI WorldCom

in Tennessee for each month since April 1997 for which MCI WorldCom has been paid or

is seeking the payment of reciprocal compensation.

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RESPONSE:

Attached, please find a spreadsheet showing the account history, local and toll usage, reciprocal compensation and terminating switched access billings, BST payment history and the total outstanding due. For the period from April 1997 to January 1999, MCIm provided usage data on a regional basis to BST along with reciprocal compensation and terminating switched access billings at the state level. MCI WorldCom has not summarized the MCIm usage data previously provided to BST for this time period. Beginning in February 1999 MCI WorldCom began direct jurisdictionalization of the traffic. MCI WorldCom and BST are presently attempting to reconcile amounts invoiced and paid prior to January 1999.

16. Identify the number of MCI WorldCom's total customers in Tennessee, and separately identify the number of those customers that re: (1) Internet Service Providers ("ISPs"); and (2) business customers other than ISPs; and (3) residential customers.

RESPONSE: MCI WorldCom objects on the grounds that the information sought is not relevant nor would it lead to the discovery of relevant information. The resolution of this Complaint involves the determination of whether, under the Agreement, calls to ISPs should be treated as local calls for purposes of payment of reciprocal compensation. The information sought is irrelevant to that issue.

17. For the ISP customers identified in response to Interrogatory No. 16, state,

on an annual basis since 1997, (a) the total amount billed by MCI WorldCom for service to

those customers from inception of service to present; (b) the amounts of any credits, rebates,

or adjustments given to such customers; and (c) the total amount of revenue received from

such customers, from Inception of service to present.

RESPONSE:

See response to question 16.

18. Does MCI WorldCom own or have an interest in an ISP in Tennessee? Is

MCI WorldCom affiliated in any way with an ISP in Tennessee (other than a customer

relationship)? If so, explain in full the nature of such interest or affiliation and identify all

documents that refer or relate to such interest or affiliation.

RESPONSE:

See response to question 16.

19. If the response to Interrogatory No. 18 is in the affirmative, state the

percentages of reciprocal compensation that MCI WorldCom is claiming in this proceeding

that was generated from calls to ISPs owned by or affiliated with MCI WorldCom, or in

which MCI WorldCom has an interest in Tennessee.

RESPONSE:

Not applicable.

20. For each year beginning in 1997, state, on an annual basis, the total revenues

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MCI WorldCom earned or expects to earn in reciprocal compensation payments from

BellSouth in Tennessee.

RESPONSE: See response to question 15 and the attached spreadsheet for the amounts

that have been billed to BST by MCI WorldCom for reciprocal compensation.

21. For each year beginning in 1997, state, on an annual basis, the total revenues

MCI WorldCom earned or expects to earn from its ISP customers in Tennessee.

RESPONSE:

See response to question 16.

22. For each year beginning in 1997, state, on an annual basis, the total revenues

MCI WorldCom earned or expected to earn from its end-user customers, including ISPs, in

Tennessee.

RESPONSE: See response to question 16.

Second #22. State the total number of end user customers that MCI WorldCom

serves in Tennessee, including the number of equivalent access lines for which these

customers account.

RESPONSE:

See response to question 16.

23. State the total number of ISP customers that MCI WorldCom serves in

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Tennessee, including the number of equivalent access lines for which these customers

account.

RESPONSE:

See response to question 16.

Furthermore, MCIm does not maintain or otherwise segregate in its customer records

whether the customer is an ISP

24. State the actual cost MCI WorldCom incurs in transporting ISP traffic from

the point of interconnection with BellSouth to the ISP server being served by an MCI

WorldCom switch. In answering this Interrogatory, describe in detail how this cost was

calculated and identify all documents referring or relating to such calculation.

RESPONSE:

See response to question 16.

25. Was the definition of "local traffic" the subject of discussion between MCI

WorldCom and BellSouth in negotiating the Interconnection Agreement? If so, describe

with particularity those discussions and identify all documents that refer or relate to those

discussions.

RESPONSE: "Local traffic" is defined in section 2.2.1 of Attachment IV of the

interconnection agreement between MCIm and BST. That language was proposed by

BellSouth and accepted by MCIm.

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26. Was the issue of whether reciprocal compensation should be paid for calls to

ISPs the subject of discussion between MCI WorldCom and BellSouth in negotiating the

Interconnection Agreement? If so, describe with particularity those discussions and identify

all documents that refer or relate to those discussion?

RESPONSE: MCIm can recall no discussion wherein BST sought to exclude calls to ISPs

from the meaning of the term "local traffic" as defined in the interconnection agreement.

27. Was the issue of where calls to ISPs "terminate" the subject of discussion

between MCI WorldCom and BellSouth in negotiating the Interconnection Agreement? If

so, describe with particularity those discussions and identify all documents that refer or relate

to those discussion?

RESPONSE:

No.

28. Prior to executing the Interconnection Agreement in April 1997, did MCI

WorldCom ever state publicly that ISP traffic was local or that reciprocal compensation

should be paid for such traffic? If so, describe with particularity each such statement and

identify all documents that refer or relate to those statements.

RESPONSE: At this time, MCI WorldCom is unaware of any such statements but is

continuing to search the company's records and will update this response as appropriate.

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Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: U^{\prime}

Henry Walker, Esq.

414 Union Street, Suite 1600

P.O. Box 198062

Nashville, Tennessee 37219

(615) 252-2363

HW/nl

RECIPROCAL COMPENSATION TRANSACTION HISTORY INVOICES FROM MCI METRO ACCESS TRANSMISSION SERVICES / MCI WORLDCOM TO BELLSOUTH OF TENNESSEE - MEMPHIS TENNESSEE MARKET AS OF MAY, 1, 2000

TRANSACTIONS VIA MCI METRO ACCESS TRANSMISSION SERVICES BILLING GROUP

Invoice Date	Toll MOU	Toll Chg.	Local MOU	Local Chg.	Adjustments Usage Charges	Payments	Balance
04/01/97	unavail	unavail	unavail	unavail	5.14	-3.09	2.05
05/01/97	unavail	unavail	unavail	unavail	17.03		17.03
06/01/97	unavail	unavail	unavail	unavail	1,030.36		1,030.36
07/01/97	unavail	unavail	unavail	unavail	4,445.59		4,445.59
08/01/97	unavail	unavail	unavail	unavail	6,835.62		6,835.62
09/01/97	unavail	unavail	unavail	unavail	18,144.53		18,144.53
10/01/97	unavail	unavail	unavail	unavail	18,566.65	(9,282.64)	9,284.01
11/01/97	unavail	unavail	unavail	unavail	26,637.72	(9,077.02)	17,560.70
12/01/97	unavail	unavail	unavail	unavail	24,211.76	(12,104.15)	12,107.61
01/01/98	unavail	unavail	unavail	unavail	66,164.21	(33,080.03)	33,084.18
02/01/98	unavail	unavail	unavail	unavail	63,610.93	(63,602.05)	8.88
03/01/98	unavail	unavail	unavail	unavail	50,872.93	(50,868.59)	4.34
04/01/98	unavail	unavail	unavail	unavail	59,814.07	(59,802.59)	11.48
05/01/98	unavail	unavail	unavail	unavail	31,027.89	(24,444.76)	6,583.13
06/01/98	unavail	unavail	unavail	unavail	56,270.58	(36,378.00)	19,892.58
07/01/98	unavail	unavail	unavail	unavail	58,320.27	(56,205.90)	2,114.37
08/01/98	unavail	unavail	unavail	unavail	57,286	(51,761.02)	5,524.98
09/01/98	unavail	unavail	unavail	unavail	72,382.37	(65,405.53)	6,976.84
10/01/98	unavail	unavail	unavail	unavail	83,265.24	(75,237.83)	8,027.41
11/01/98	unavail	unavail	unavail	unavail	78,717.21	(68,439.85)	10,277.36
12/01/98	unavail	unavail	unavail	unavail	-4,652 85,269.10	(35,808.25)	44,808.85
01/01/99	unavail	unavail	unavail	unavail	84,968.40	(35,678.67)	49,289.73

\$ (4,652.00) \$ 947,863.60 \$ (687,179.97) \$ 256,031.63

TRANSACTIONS VIA MCI / WORLDCOM CARRIER BILLING GROUP

	Toll MOU	Toll Chg.	Local MOU	 Local Chg.	Adjustments	Usage Charges		Payments	Balance
02/10/99	1,157,374	\$ 70,807.62	17,924,441	\$ 89,622.21		\$	160,429.83	(51,323.36)	\$ 109,106.47
03/10/99	865,407	52,945.58	13,951,750	69,758.75	67,033.24		122,704.33	(9,966.03)	179,771.54
04/10/99	1,006,473	61,576.70	16,490,062	82,450.31			144,027.01	(9,568.18)	134,458.83
05/10/99	801,471	49,034.42	13,736,820	68,684.11	134,066.48		117,718.53	(3,754.02)	248,030.99
06/10/99	1,193,069	72,992.04	18,747,260	93,736.31	82,851.44		166,728.35	(21,599.45)	227,980.34
07/10/99	1,102,528	67,453.26	16,837,914	84,189.57	82,440.38		151,642.83	(19,046.48)	215,036.73
08/10/99	1,236,342	75,640.26	17,818,085	89,090.44	53,803.19		164,730.70	(16,431.25)	202,102.64
09/10/99	1,178,242	72,085.61	17,238,388	86,191.94	5,739.62		158,277.55	(14,997.05)	149,020.12
10/10/99	1,032,313	63,157.41	14,766,989	73,834.95	1,035.26		136,992.36	(8,982.57)	129,045.05
11/10/99	1,350,902	82,646.90	19,692,694	98,463.47			181,110.37	(5,746.89)	175,363.48
12/10/99	2,062,194	126,146.97	32,059,875	160,299.37			286,446.34	(9,168.92)	277,277.42
01/10/00	2,465,808	150,840.10	37,207,969	186,039.84			336,879.94	(10,569.89)	326,310.05
02/10/00	3,058,495	187,105.03	48,034,416	240,172.10			427,277.13	(16,806.58)	410,470.55
03/10/00	3,359,322	205,513.23	52,204,750	261,023.76			466,536.99	·	466,536.99
04/10/00	3,574,814	218,696.37	55,438,566	 277,192.84			495,889.21		495,889.21

25,444,754 \$1,556,641.50 392,149,979 \$ 1,960,749.97 \$426,969.61 \$3,517,391.47 \$(197,960.67) \$3,746,400.41

TOTAL DUE

\$ 422,317.61 \$ 4,465,255.07 \$ (885,140.64) \$ 4,002,432.04

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via hand delivery, to the following on this the 5th day of May, 2000.

Guy M. Hicks, Esq.
BellSouth Telecommunications, Inc.
Suite 2101
333 Commerce Street
Nashville, Tennessee 37201-3300

Richard Collier, Esq. Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0500

Henry Walker

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

IN RE:

PETITION OF MCI WORLDCOM TO ENFORCE INTERCONNECTION AGREEMENT DOCKET NO. 99-00662

MCI WORLDCOM'S RESPONSE TO BELLSOUTH TELECOMMUNICATIONS, INC.'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

MCI WorldCom, Inc. ("MCI WorldCom") hereby provides its responses to BellSouth Telecommunications, Inc.'s ("BellSouth") First Request for Production of Documents (the "First Request for Production") to MCI WorldCom in the above-referenced proceeding.

GENERAL OBJECTIONS

- 1. MCI WorldCom objects to the First Request for Production of Documents to the extent that they call for the disclosure and/or production of information protected by the attorney-client privilege, the attorney work product privilege, and any other applicable privilege or doctrine.
- 2. MCI WorldCom objects to the First Request for Production of Documents to the extent that they conflict with, and/or impose obligations and requirements that are different from, the Tennessee Rules of Civil Procedure and/or the Local Rules of the Tennessee Regulatory Authority.
 - 3. MCI WorldCom objects to the First Request for Production of Documents to

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the extent that they characterize, assume or imply facts or events not in dispute or in evidence.

REQUESTS FOR PRODUCTION

Produce copies of all documents identified in response to BellSouth's First
 Set of Interrogatories.

RESPONSE:

See the documents attached to MCI WorldCom's responses to BellSouth's First Set of Interrogatories as well as the interconnection agreement (hereafter, the "Agreement") between MCI WorldCom and BellSouth itself. A copy of the Agreement is attached to the Complaint.

2. Produce all documents that refer or relate to or were generated in connection with MCI WorldCom's negotiation or execution of Interconnection Agreement.

RESPONSE:

MCI WorldCom objects on the grounds that producing all documents relating to the Agreement is unduly burdensome. Further, documents or portions thereof that are not related to the reciprocal compensation provision of the Agreement are irrelevant to this proceeding. MCI WorldCom is unaware of any documents that relate to the reciprocal compensation provision of the Agreement.

3. Produce all documents that refer or relate to or support MCI WorldCom's

0643986.01 058100-050 05/05/2000 contention that it understood calls to Internet Service Providers ("ISPs") to be "local traffic" under the Interconnection Agreement.

RESPONSE:

MCI WorldCom objects on relevancy grounds to producing any documents that are not reasonably contemporaneous with the signing of the Agreement. MCI WorldCom is aware of no documents that reflect MCI WorldCom's understanding or position on the issue of reciprocal compensation at the time the Agreement was executed. Should MCI WorldCom discover such documents it will disclose them. Documents generated either prior to or subsequent to the execution of the interconnection agreement are not relevant because the issue to be decided in this proceeding is the intent of the parties at the time the interconnection agreement was executed.

4. Produce all documents that refer or relate to or support MCI WorldCom's contention that it understood that calls to ISPs "terminate" at the ISP under the Interconnection Agreement.

RESPONSE:

See previous response.

5. Produce all documents that support or refer or relate to MCI WorldCom's allegations in the Complaint, including, but not limited to, all documents created prior to September 1, 1997 reflecting MCI WorldCom's belief that it would be receiving reciprocal

0643986.01 058100-050 05/05/2000 compensation from BellSouth for ISP traffic.

RESPONSE:

See previous response.

6. Produce all documents that refer or relate to any projections, estimates, studies, calculations, or budgets developed by or on behalf of MCI WorldCom that reflect the amount of reciprocal compensation MCI WorldCom expected to receive from BellSouth.

RESPONSE:

See previous response.

7. Produce all documents that refer or relate to any projections, estimates, studies, calculations, or budgets developed by or on behalf of MCI WorldCom that reflect the volume of calls MCI WorldCom expected to receive from BellSouth customers to Internet Service Providers served by MCI WorldCom.

RESPONSE:

See previous response.

8. Produce all documents that refer or relate to any arrangement or agreement between MCI WorldCom and any other person that involves the sharing of any reciprocal compensation received by MCI WorldCom from BellSouth.

RESPONSE:

0643986.01 058100-050 05/05/2000 See MCI WorldCom's response to Interrogatory 16 in BellSouth's First Set of Interrogatories.

9. Produce all documents that refer or relate to any reciprocal compensation that MCI WorldCom has billed BellSouth for traffic generated by or directed to any person or entity with which MCI WorldCom has an arrangement or agreement to share reciprocal compensation received by MCI WorldCom from BellSouth.

RESPONSE:

See previous response.

Dated this 5th day of May, 2000.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC
Henry Walker/CLG

By:

Henry Walker, Esq. 414 Union Street, Suite 1600 P.O. Box 198062

Nashville, Tennessee 37219 (615) 252-2363

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via hand delivery, to the following on this the 5^{th} day of May, 2000.

Guy M. Hicks, Esq. BellSouth Telecommunications, Inc. Suite 2101 333 Commerce Street Nashville, Tennessee 37201-3300

Richard Collier, Esq. Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0500

Henry Walker Walker CCG